



**BOLLINGER COUNTY, MISSOURI
YEARS ENDED DECEMBER 31, 2003 AND 2002**

**From The Office Of State Auditor
Claire McCaskill**

**Report No. 2004-80
September 29, 2004
www.auditor.mo.gov**

AUDIT REPORT



Office Of The
State Auditor Of Missouri
Claire McCaskill

September 2004

IMPORTANT: The Missouri State Auditor is required by state law to conduct audits once every 4 years in counties, like Bollinger, that do not have a county auditor. In addition to a financial and compliance audit of various county operating funds, the State Auditor's statutory audit covers additional areas of county operations, as well as the elected county officials, as required by Missouri's Constitution.

This audit of Bollinger County included additional areas of county operations, as well as the elected county officials. The following concerns were noted as part of the audit:

- The county and Health Center do not have adequate procedures in place to track federal awards for the preparation of the county's schedule of federal awards (SEFA). For the years ended December 31, 2003 and 2002, the SEFA contained numerous errors and omissions. Total federal expenditures were overstated by approximately \$47,704 and \$63,412 for 2003 and 2002, respectively.
- As noted in our prior report, Bollinger County's General Revenue Fund is in weak financial condition. At December 31, 2003, the General Revenue fund had a balance of \$35,563 and \$90,000 in tax anticipation notes outstanding. Due to the county's weak financial condition, the County Commission submitted to the voters of Bollinger County a one-half of one percent sales tax for replacing the roof at the courthouse and the sheriff's office, repairing the courthouse, and retiring county debt, with any funds in excess to be used for general purposes. However, with this additional general operations sales tax, the county is apparently imposing a levy of one-half of one percent above the statutory maximum.
- The county commission does not have a written agreement with the Prosecuting Attorney specifying how the percentage of his secretaries salaries to be paid by the county was determined and has no documentation such as time sheets, to support these payments.
- The county approved expenditures in excess of budget amounts for some funds and did not budget emergency expenditures for the year ended December 31, 2003.

(over)

YELLOW SHEET

Also included in the audit are recommendations to improve the accounting records and procedures for the Recorder of Deeds, the Sheriff, and the Circuit Clerk. In addition, a formal maintenance plan for county roads and bridges has not been prepared and the County does not have a formal emergency contingency plan for the computer system and has not formally negotiated arrangements for backup facilities in the event of a disaster.

All reports are available on our website: www.auditor.mo.gov

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FINANCIAL SECTION

State Auditor's Reports



CLAIRE C. McCASKILL
Missouri State Auditor

**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL
STATEMENTS AND SUPPLEMENTARY SCHEDULE OF
EXPENDITURES OF FEDERAL AWARDS**

To the County Commission
and
Officeholders of Bollinger County, Missouri

We have audited the accompanying Statements of Receipts, Disbursements, and Changes in Cash - Various Funds and Comparative Statement of Receipts, Disbursements, and Changes in Cash - Budget and Actual - Various Funds of Bollinger County, Missouri, as of and for the years ended December 31, 2003 and 2002. These financial statements are the responsibility of the county's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As discussed in Note 1 to the financial statements, these financial statements were prepared on the cash basis of accounting, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

In our opinion, the financial statements referred to in the first paragraph present fairly, in all material respects, the receipts, disbursements, and changes in cash of various funds of Bollinger County, Missouri, and comparisons of such information with the corresponding budgeted information for various funds of the county as of and for the years ended December 31, 2003 and 2002, on the basis of accounting discussed in Note 1.

In accordance with *Government Auditing Standards*, we also have issued our report dated June 17, 2004, on our consideration of the county's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

Our audit was conducted for the purpose of forming an opinion on the financial statements, taken as a whole, that are referred to in the first paragraph. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget (OMB) Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the financial statements taken as a whole.

The accompanying History, Organization, and Statistical Information is presented for informational purposes. This information was obtained from the management of Bollinger County, Missouri, and was not subjected to the auditing procedures applied in the audit of the financial statements referred to above. Accordingly, we express no opinion on the information.

A handwritten signature in black ink, reading "Claire McCaskill". The signature is fluid and cursive, with the first name "Claire" and last name "McCaskill" clearly distinguishable.

Claire McCaskill
State Auditor

June 17, 2004 (fieldwork completion date)

The following auditors participated in the preparation of this report:

Director of Audits:	Thomas J. Kremer, CPA
Audit Manager:	Debra S. Lewis, CPA
Audit Staff:	Kate Petschonek



CLAIRE C. McCASKILL
Missouri State Auditor

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE
AND ON INTERNAL CONTROL OVER FINANCIAL REPORTING
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED
IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

To the County Commission
and
Officeholders of Bollinger County, Missouri

We have audited the financial statements of various funds of Bollinger County, Missouri, as of and for the years ended December 31, 2003 and 2002, and have issued our report thereon dated June 17, 2004. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether the financial statements of various funds of Bollinger County, Missouri, are free of material misstatement, we performed tests of the county's compliance with certain provisions of laws, regulations, contracts, and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*. However, we noted certain immaterial instances of noncompliance which are described in the accompanying Management Advisory Report.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements of various funds of Bollinger County, Missouri, we considered the county's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all

matters in the internal control that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce

to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses. However, we noted other matters involving the internal control over financial reporting which are described in the accompanying Management Advisory Report.

This report is intended for the information and use of the management of Bollinger County, Missouri; federal awarding agencies and pass-through entities; and other applicable government officials. However, pursuant to Section 29.270, RSMo 2000, this report is a matter of public record and its distribution is not limited.

A handwritten signature in black ink, reading "Claire McCaskill". The signature is fluid and cursive, with the first name "Claire" and last name "McCaskill" clearly distinguishable.

Claire McCaskill
State Auditor

June 17, 2004 (fieldwork completion date)

Financial Statements

Exhibit A-1

BOLLINGER COUNTY, MISSOURI
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - VARIOUS FUNDS
YEAR ENDED DECEMBER 31, 2003

Fund	Cash, January 1	Receipts	Disbursements	Cash, December 31
General Revenue	\$ 20,893	1,268,351	1,253,681	35,563
Special Road and Bridge	155,331	2,018,534	1,786,593	387,272
Assessment	7,803	103,610	110,719	694
Prosecuting Attorney Bad Check	1,365	5,039	417	5,987
Division V Banner Account Interest	2,948	168	0	3,116
Law Enforcement Training	550	1,234	1,231	553
Prosecuting Attorney Training	63	180	130	113
Recorder's User Fee	3,445	7,415	3,678	7,182
Sheriff's Civil	2,685	12,354	11,522	3,517
Sheriff's Donation	9	0	9	0
Law Library	7,806	5,498	2,735	10,569
Circuit Division Interest	97	218	89	226
Election Service	1,872	243	0	2,115
DARE Donation	98	768	449	417
Recorder Technology	3,159	4,133	4,440	2,852
Domestic Relations	0	1,439	1,439	0
Collector's Maintenance	1,137	10,880	1,305	10,712
Archive Grant	0	488	430	58
Health Center	302,941	451,183	429,730	324,394
Senate Bill 40 Board	2,564	103,597	102,357	3,804
Recorder's Grant	136	0	136	0
Total	\$ 514,902	3,995,332	3,711,090	799,144

The accompanying Notes to the Financial Statements are an integral part of this statement.

Exhibit A-2

BOLLINGER COUNTY, MISSOURI
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - VARIOUS FUNDS
YEAR ENDED DECEMBER 31, 2002

Fund	Cash, January 1	Receipts	Disbursements	Cash, December 31
General Revenue	\$ 8,954	1,165,481	1,153,542	20,893
Special Road and Bridge	116,405	1,049,355	1,010,429	155,331
Assessment	14,004	93,999	100,200	7,803
Prosecuting Attorney Bad Check	1,117	4,503	4,255	1,365
Division V Banner Account Interest	659	2,289	0	2,948
Law Enforcement Training	1,212	1,633	2,295	550
Prosecuting Attorney Training	0	251	188	63
Recorder's User Fee	2,482	5,215	4,252	3,445
Sheriff's Civil	5,429	10,240	12,984	2,685
Sheriff's Donation	3,263	326	3,580	9
Special Law Enforcement	103	0	103	0
Associate Division Interest	2,070	0	2,070	0
Law Library	6,126	5,447	3,767	7,806
DARE Program	931	10,812	11,743	0
Circuit Division Interest	3	113	19	97
Election Service	1,334	538	0	1,872
DARE Donation	62	51	15	98
Recorder Technology	1,535	3,178	1,554	3,159
Domestic Relations	0	1,293	1,293	0
Collector's Maintenance	0	1,137	0	1,137
Health Center	263,855	462,584	423,498	302,941
Senate Bill 40 Board	17,142	99,122	113,700	2,564
Probate Division Interest	49	0	49	0
Recorder's Grant	136	0	0	136
Total	\$ 446,871	2,917,567	2,849,536	514,902

The accompanying Notes to the Financial Statements are an integral part of this statement.

Exhibit B

BOLLINGER COUNTY, MISSOURI

COMPARATIVE STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL - VARIOUS FUND

	Year Ended December 31,					
	2003			2002		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
TOTALS - VARIOUS FUNDS						
RECEIPTS	\$ 3,355,920	3,995,332	639,412	2,703,456	2,909,941	206,485
DISBURSEMENTS	3,544,341	3,710,954	(166,613)	2,812,539	2,849,487	(36,948)
RECEIPTS OVER (UNDER) DISBURSEMENTS	(188,421)	284,378	472,799	(109,083)	60,454	169,537
CASH, JANUARY 1	510,775	514,766	3,991	446,136	446,027	(109)
CASH, DECEMBER 31	322,354	799,144	476,790	337,053	506,481	169,428
GENERAL REVENUE FUND						
RECEIPTS						
Property taxes	184,000	186,207	2,207	180,284	168,453	(11,831)
Sales taxes	560,000	576,817	16,817	595,000	559,518	(35,482)
Intergovernmental	166,177	167,736	1,559	91,860	65,192	(26,668)
Charges for services	153,000	168,507	15,507	172,900	141,059	(31,841)
Interest	160	272	112	3,000	161	(2,839)
Loan proceeds	0	90,000	90,000	0	140,000	140,000
Other	36,850	53,847	16,997	78,460	51,782	(26,678)
Transfers in	24,965	24,965	0	24,234	35,116	10,882
Total Receipts	1,125,152	1,268,351	143,199	1,145,738	1,161,281	15,543
DISBURSEMENTS						
County Commissioner	62,650	61,720	930	62,650	62,135	515
County Clerk	49,670	49,369	301	52,220	51,786	434
Elections	24,480	24,191	289	48,350	58,925	(10,575)
Buildings and grounds	67,778	109,448	(41,670)	67,250	67,810	(560)
Employee fringe benefit	57,506	61,927	(4,421)	57,600	63,427	(5,827)
County Treasurer	25,658	24,283	1,375	25,658	24,442	1,216
County Collector	64,720	61,615	3,105	65,270	62,893	2,377
Ex Officio Recorder of Deed	55,626	52,659	2,967	18,550	17,713	837
Circuit Clerk	7,212	8,269	(1,057)	10,250	11,394	(1,144)
Associate Circuit Court	7,000	3,929	3,071	7,210	4,672	2,538
Court administration	6,265	3,250	3,015	6,265	7,107	(842)
Public Administrator	19,000	18,820	180	18,800	19,022	(222)
Sheriff	306,793	297,111	9,682	266,583	358,159	(91,576)
Jail	116,100	134,808	(18,708)	95,270	135,733	(40,463)
Prosecuting Attorney	80,580	79,951	629	80,580	78,528	2,052
Juvenile Officer	55,000	10,035	44,965	35,000	0	35,000
County Coroner	16,900	16,380	520	20,090	19,501	589
Landfill	300	315	(15)	1,000	325	675
Dare Program Expense	0	0	0	5,000	0	5,000
Other	82,870	83,032	(162)	91,549	91,477	72
Debt service	146,000	142,069	3,931	43,000	12,493	30,507
Transfers out	10,000	10,500	(500)	27,000	6,000	21,000
Emergency Fund	0	0	0	32,000	0	32,000
Total Disbursements	1,262,108	1,253,681	8,427	1,137,145	1,153,542	(16,397)
RECEIPTS OVER (UNDER) DISBURSEMENTS	(136,956)	14,670	151,626	8,593	7,739	(854)
CASH, JANUARY 1	20,893	20,893	0	8,952	8,954	2
CASH, DECEMBER 31	(116,063)	35,563	151,626	17,545	16,693	(852)

Exhibit B

BOLLINGER COUNTY, MISSOURI

COMPARATIVE STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL - VARIOUS FUND

	Year Ended December 31,					
	2003			2002		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
<u>SPECIAL ROAD AND BRIDGE FUND</u>						
RECEIPTS						
Property taxes	228,400	233,887	5,487	233,625	216,050	(17,575)
Intergovernmental	1,283,182	1,690,425	407,243	570,800	825,794	254,994
Interest	1,000	1,770	770	7,000	1,151	(5,849)
Other	1,589	92,452	90,863	4,578	6,360	1,782
Total Receipts	1,514,171	2,018,534	504,363	816,003	1,049,355	233,352
DISBURSEMENTS						
Salaries	394,080	393,741	339	357,760	412,964	(55,204)
Employee fringe benefit	51,700	49,823	1,877	78,500	60,982	17,518
Supplies	103,500	94,640	8,860	87,000	91,449	(4,449)
Insurance	14,000	11,627	2,373	15,000	13,843	1,157
Road and bridge materials	85,000	73,115	11,885	85,000	71,251	13,749
Equipment repairs	50,000	67,161	(17,161)	75,200	50,594	24,606
Equipment purchases	190,000	251,205	(61,205)	160,000	156,794	3,206
Construction, repair, and maintenance	624,457	796,693	(172,236)	0	106,525	(106,525)
Other	22,380	23,623	(1,243)	38,600	21,793	16,807
Transfers out	24,965	24,965	0	24,234	24,234	0
Total Disbursements	1,560,082	1,786,593	(226,511)	921,294	1,010,429	(89,135)
RECEIPTS OVER (UNDER) DISBURSEMENTS	(45,911)	231,941	277,852	(105,291)	38,926	144,217
CASH, JANUARY 1	155,331	155,331	0	116,405	116,405	0
CASH, DECEMBER 31	109,420	387,272	277,852	11,114	155,331	144,217
<u>ASSESSMENT FUND</u>						
RECEIPTS						
Intergovernmental	93,360	91,255	(2,105)	93,115	86,492	(6,623)
Interest	0	49	49	1,000	59	(941)
Other	1,500	1,806	306	1,500	1,448	(52)
Transfers in	23,860	10,500	(13,360)	27,000	6,000	(21,000)
Total Receipts	118,720	103,610	(15,110)	122,615	93,999	(28,616)
DISBURSEMENTS						
Assessor	113,960	110,719	3,241	115,520	100,200	15,320
Total Disbursements	113,960	110,719	3,241	115,520	100,200	15,320
RECEIPTS OVER (UNDER) DISBURSEMENTS	4,760	(7,109)	(11,869)	7,095	(6,201)	(13,296)
CASH, JANUARY 1	7,803	7,803	0	14,004	14,004	0
CASH, DECEMBER 31	12,563	694	(11,869)	21,099	7,803	(13,296)

Exhibit B

BOLLINGER COUNTY, MISSOURI

COMPARATIVE STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL - VARIOUS FUND

	Year Ended December 31,					
	2003			2002		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
<u>PROSECUTING ATTORNEY BAD CHECK FUND</u>						
RECEIPTS						
Charges for service:	5,000	4,622	(378)	4,200	4,429	229
Interest	18	25	7	250	19	(231)
Other	255	392	137	0	55	55
Total Receipts	5,273	5,039	(234)	4,450	4,503	53
DISBURSEMENTS						
Prosecuting Attorney	255	417	(162)	0	55	(55)
Transfers out	6,000	0	6,000	4,200	4,200	0
Total Disbursements	6,255	417	5,838	4,200	4,255	(55)
RECEIPTS OVER (UNDER) DISBURSEMENTS	(982)	4,622	5,604	250	248	(2)
CASH, JANUARY 1	1,365	1,365	0	1,117	1,117	0
CASH, DECEMBER 31	383	5,987	5,604	1,367	1,365	(2)
<u>DIVISION V BANNER ACCOUNT INTEREST FUND</u>						
RECEIPTS						
Interest	100	168	68			
Total Receipts	100	168	68			
DISBURSEMENTS						
Office expenses	867	0	867			
Total Disbursements	867	0	867			
RECEIPTS OVER (UNDER) DISBURSEMENTS	(767)	168	935			
CASH, JANUARY 1	767	2,948	2,181			
CASH, DECEMBER 31	0	3,116	3,116			
<u>LAW ENFORCEMENT TRAINING FUND</u>						
RECEIPTS			0			0
Charges for service:	2,710	500	(2,210)	2,100	1,627	(473)
Interest	5	7	2	60	6	(54)
Other	0	727	727	0	0	0
Total Receipts	2,715	1,234	(1,481)	2,160	1,633	(527)
DISBURSEMENTS						
Sheriff	3,000	1,231	1,769	3,000	2,295	705
Total Disbursements	3,000	1,231	1,769	3,000	2,295	705
RECEIPTS OVER (UNDER) DISBURSEMENTS	(285)	3	288	(840)	(662)	178
CASH, JANUARY 1	550	550	0	1,212	1,212	0
CASH, DECEMBER 31	265	553	288	372	550	178

Exhibit B

BOLLINGER COUNTY, MISSOURI

COMPARATIVE STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL - VARIOUS FUND

	Year Ended December 31,					
	2003			2002		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
<u>PROSECUTING ATTORNEY TRAINING FUND</u>						
RECEIPTS						
Charges for service:	250	179	(71)	250	250	0
Other	1	1	0	10	1	(9)
Total Receipts	251	180	(71)	260	251	(9)
DISBURSEMENTS						
Prosecuting Attorney	300	130	170	260	188	72
Total Disbursements	300	130	170	260	188	72
RECEIPTS OVER (UNDER) DISBURSEMENTS	(49)	50	99	0	63	63
CASH, JANUARY 1	63	63	0	0	0	0
CASH, DECEMBER 31	14	113	99	0	63	63
<u>RECORDER'S USER FEE FUND</u>						
RECEIPTS						
Charges for service:	5,700	7,356	1,656	6,000	5,184	(816)
Interest	31	59	28	0	31	31
Total Receipts	5,731	7,415	1,684	6,000	5,215	(785)
DISBURSEMENTS						
Recorder	9,145	3,678	5,467	5,200	4,252	948
Total Disbursements	9,145	3,678	5,467	5,200	4,252	948
RECEIPTS OVER (UNDER) DISBURSEMENTS	(3,414)	3,737	7,151	800	963	163
CASH, JANUARY 1	3,445	3,445	0	2,482	2,482	0
CASH, DECEMBER 31	31	7,182	7,151	3,282	3,445	163
<u>SHERIFF'S CIVIL FUND</u>						
RECEIPTS						
Charges for service:	10,300	12,313	2,013	11,100	10,190	(910)
Interest	50	41	(9)	360	45	(315)
Other	0	0	0	0	5	5
Total Receipts	10,350	12,354	2,004	11,460	10,240	(1,220)
DISBURSEMENTS						
Office expenses	12,000	11,522	478	16,800	12,984	3,816
Total Disbursements	12,000	11,522	478	16,800	12,984	3,816
RECEIPTS OVER (UNDER) DISBURSEMENTS	(1,650)	832	2,482	(5,340)	(2,744)	2,596
CASH, JANUARY 1	2,685	2,685	0	5,429	5,429	0
CASH, DECEMBER 31	1,035	3,517	2,482	89	2,685	2,596
<u>SHERIFF'S DONATION FUND</u>						
RECEIPTS						
Interest	50	0	(50)	250	26	(224)
Other	2,000	0	(2,000)	1,500	300	(1,200)
Total Receipts	2,050	0	(2,050)	1,750	326	(1,424)
DISBURSEMENTS						
Drug dog expenses	500	9	491	5,000	3,580	1,420
Total Disbursements	500	9	491	5,000	3,580	1,420
RECEIPTS OVER (UNDER) DISBURSEMENTS	1,550	(9)	(1,559)	(3,250)	(3,254)	(4)
CASH, JANUARY 1	9	9	0	3,263	3,263	0
CASH, DECEMBER 31	1,559	0	(1,559)	13	9	(4)

Exhibit B

BOLLINGER COUNTY, MISSOURI

COMPARATIVE STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL - VARIOUS FUND

Year Ended December 31,						
2003			2002			
Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)	
<u>SPECIAL LAW ENFORCEMENT FUND</u>						
RECEIPTS						
Interest			0	0	0	
Total Receipts			0	0	0	
DISBURSEMENTS						
Equipment			103	103	0	
Total Disbursements			103	103	0	
RECEIPTS OVER (UNDER) DISBURSEMENTS			(103)	(103)	0	
CASH, JANUARY 1			103	103	0	
CASH, DECEMBER 31			0	0	0	
<u>ASSOCIATE DIVISION INTEREST FUND</u>						
RECEIPTS						
Interest			575	0	(575)	
Total Receipts			575	0	(575)	
DISBURSEMENTS						
Transfers out			2,852	2,070	782	
Total Disbursements			2,852	2,070	782	
RECEIPTS OVER (UNDER) DISBURSEMENTS			(2,277)	(2,070)	207	
CASH, JANUARY 1			2,277	2,070	(207)	
CASH, DECEMBER 31			0	0	0	
<u>LAW LIBRARY FUND</u>						
RECEIPTS						
Charges for service:	4,000	5,475	1,475	4,065	5,429	1,364
Interest	18	23	5	35	18	(17)
Total Receipts	4,018	5,498	1,480	4,100	5,447	1,347
DISBURSEMENTS						
Law library materials	4,000	2,735	1,265	3,000	3,767	(767)
Total Disbursements	4,000	2,735	1,265	3,000	3,767	(767)
RECEIPTS OVER (UNDER) DISBURSEMENTS	18	2,763	2,745	1,100	1,680	580
CASH, JANUARY 1	6,143	7,806	1,663	6,126	6,126	0
CASH, DECEMBER 31	6,161	10,569	4,408	7,226	7,806	580
<u>DARE PROGRAM FUND</u>						
RECEIPTS						
Intergovernmental			13,800	10,800	(3,000)	
Interest			200	12	(188)	
Total Receipts			14,000	10,812	(3,188)	
DISBURSEMENTS						
DARE Program			14,000	861	13,139	
Transfer out			0	10,882	(10,882)	
Total Disbursements			14,000	11,743	2,257	
RECEIPTS OVER (UNDER) DISBURSEMENTS			0	(931)	(931)	
CASH, JANUARY 1			931	931	0	
CASH, DECEMBER 31			931	0	(931)	

Exhibit B

BOLLINGER COUNTY, MISSOURI

COMPARATIVE STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL - VARIOUS FUND

	Year Ended December 31,					
	2003			2002		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
<u>CIRCUIT DIVISION INTEREST FUND</u>						
RECEIPTS						
Interest	160	218	58	1,500	113	(1,387)
Total Receipts	160	218	58	1,500	113	(1,387)
DISBURSEMENTS						
Office expenses	160	89	71	1,500	19	1,481
Total Disbursements	160	89	71	1,500	19	1,481
RECEIPTS OVER (UNDER) DISBURSEMENTS	0	129	129	0	94	94
CASH, JANUARY 1	50	97	47	3	3	0
CASH, DECEMBER 31	50	226	176	3	97	94
<u>ELECTION SERVICE FUND</u>						
RECEIPTS						
Charges for services	500	219	(281)	500	523	23
Interest	15	24	9	60	15	(45)
Total Receipts	515	243	(272)	560	538	(22)
DISBURSEMENTS						
Equipment	500	0	500	1,700	0	1,700
Office expenses	1,500	0	1,500	0	0	0
Total Disbursements	2,000	0	2,000	1,700	0	1,700
RECEIPTS OVER (UNDER) DISBURSEMENTS	(1,485)	243	1,728	(1,140)	538	1,678
CASH, JANUARY 1	1,872	1,872	0	1,334	1,334	0
CASH, DECEMBER 31	387	2,115	1,728	194	1,872	1,678
<u>DARE DONATION FUND</u>						
RECEIPTS						
Charges for services	50	0	(50)	50	50	0
Interest	1	1	0	5	1	(4)
Other	0	767	767	0	0	0
Total Receipts	51	768	717	55	51	(4)
DISBURSEMENTS						
DARE expense	145	449	(304)	100	15	85
Total Disbursements	145	449	(304)	100	15	85
RECEIPTS OVER (UNDER) DISBURSEMENTS	(94)	319	413	(45)	36	81
CASH, JANUARY 1	98	98	0	62	62	0
CASH, DECEMBER 31	4	417	413	17	98	81
<u>RECORDER TECHNOLOGY FUND</u>						
RECEIPTS						
Charges for services	3,700	4,091	391	3,485	3,159	(326)
Interest	20	42	22	15	19	4
Total Receipts	3,720	4,133	413	3,500	3,178	(322)
DISBURSEMENTS						
Office expenses	6,879	4,440	2,439	5,035	1,554	3,481
Total Disbursements	6,879	4,440	2,439	5,035	1,554	3,481
RECEIPTS OVER (UNDER) DISBURSEMENTS	(3,159)	(307)	2,852	(1,535)	1,624	3,159
CASH, JANUARY 1	3,159	3,159	0	1,535	1,535	0
CASH, DECEMBER 31	0	2,852	2,852	0	3,159	3,159

Exhibit B

BOLLINGER COUNTY, MISSOURI

COMPARATIVE STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL - VARIOUS FUND

	Year Ended December 31,					
	2003			2002		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
<u>DOMESTIC RELATIONS FUND</u>						
RECEIPTS						
Charges for service:	1,796	1,434	(362)	1,800	1,290	(510)
Interest	4	5	1	30	3	(27)
Total Receipts	1,800	1,439	(361)	1,830	1,293	(537)
DISBURSEMENTS						
Domestic violence shelter	1,800	1,439	361	1,830	1,293	537
Total Disbursements	1,800	1,439	361	1,830	1,293	537
RECEIPTS OVER (UNDER) DISBURSEMENTS	0	0	0	0	0	0
CASH, JANUARY 1	0	0	0	0	0	0
CASH, DECEMBER 31	0	0	0	0	0	0
<u>COLLECTOR'S MAINTENANCE FUND</u>						
RECEIPTS						
Charges for service:	10,000	10,833	833			
Interest	3	47	44			
Total Receipts	10,003	10,880	877			
DISBURSEMENTS						
Office supplies	10,000	1,305	8,695			
Total Disbursements	10,000	1,305	8,695			
RECEIPTS OVER (UNDER) DISBURSEMENTS	3	9,575	9,572			
CASH, JANUARY 1	1,137	1,137	0			
CASH, DECEMBER 31	1,140	10,712	9,572			
<u>ARCHIVE GRANT FUND</u>						
RECEIPTS						
Intergovernmental	7,110	350	(6,760)			
Interest	0	2	2			
Other	0	136	136			
Total Receipts	7,110	488	(6,622)			
DISBURSEMENTS						
Office expenses	7,110	430	6,680			
Total Disbursements	7,110	430	6,680			
RECEIPTS OVER (UNDER) DISBURSEMENTS	0	58	58			
CASH, JANUARY 1	0	0	0			
CASH, DECEMBER 31	0	58	58			

Exhibit B

BOLLINGER COUNTY, MISSOURI

COMPARATIVE STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL - VARIOUS FUND

	Year Ended December 31,					
	2003			2002		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
<u>HEALTH CENTER FUND</u>						
RECEIPTS						
Property taxes	213,000	223,614	10,614	207,000	206,569	(431)
Intergovernmental	189,000	188,757	(243)	225,100	217,652	(7,448)
Interest	6,730	10,554	3,824	13,000	8,113	(4,887)
AAA grant	2,100	2,001	(99)	2,100	2,166	66
Children's Trust Fund and Crit	11,000	12,104	1,104	0	11,670	11,670
Other	18,400	14,153	(4,247)	20,800	16,414	(4,386)
Total Receipts	440,230	451,183	10,953	468,000	462,584	(5,416)
DISBURSEMENTS						
Salaries	272,028	254,446	17,582	258,700	249,568	9,132
Office Expenditures	74,777	69,960	4,817	68,700	66,795	1,905
Equipment	1,425	5,542	(4,117)	2,200	1,141	1,059
Mileage and Training	17,000	14,274	2,726	12,300	11,348	952
Contract Services	45,000	57,354	(12,354)	58,100	52,637	5,463
Mortgage	30,000	28,154	1,846	68,000	42,009	25,991
Total Disbursements	440,230	429,730	10,500	468,000	423,498	44,502
RECEIPTS OVER (UNDER) DISBURSEMENTS	0	21,453	21,453	0	39,086	39,086
CASH, JANUARY 1	302,841	302,941	100	263,759	263,855	96
CASH, DECEMBER 31	302,841	324,394	21,553	263,759	302,941	39,182
<u>SENATE BILL 40 BOARD FUND</u>						
RECEIPTS						
Property taxes	88,000	93,473	5,473	86,000	86,317	317
Intergovernmental	10,000	9,717	(283)	9,600	10,845	1,245
Interest	300	107	(193)	1,500	310	(1,190)
Other	5,500	300	(5,200)	1,800	1,650	(150)
Total Receipts	103,800	103,597	(203)	98,900	99,122	222
DISBURSEMENTS						
Mental Health Trust Fund	40,000	20,000	20,000	40,000	55,002	(15,002)
Building Maintenance	14,300	22,167	(7,867)	39,000	5,283	33,717
Utilities	8,500	10,564	(2,064)	10,000	8,405	1,595
Transportation	28,000	29,753	(1,753)	0	27,340	(27,340)
Habilitation	13,000	19,863	(6,863)	17,000	17,670	(670)
Other	0	10	(10)	0	0	0
Total Disbursements	103,800	102,357	1,443	106,000	113,700	(7,700)
RECEIPTS OVER (UNDER) DISBURSEMENTS	0	1,240	1,240	(7,100)	(14,578)	(7,478)
CASH, JANUARY 1	2,564	2,564	0	17,142	17,142	0
CASH, DECEMBER 31	\$ 2,564	3,804	1,240	10,042	2,564	(7,478)

The accompanying Notes to the Financial Statements are an integral part of this statement

Notes to the Financial Statements

BOLLINGER COUNTY, MISSOURI
NOTES TO THE FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies

A. Reporting Entity and Basis of Presentation

The accompanying financial statements present the receipts, disbursements, and changes in cash of various funds of Bollinger County, Missouri, and comparisons of such information with the corresponding budgeted information for various funds of the county. The funds presented are established under statutory or administrative authority, and their operations are under the control of the County Commission, an elected county official, the Health Center Board, or Senate Bill 40 Board. The General Revenue Fund is the county's general operating fund, accounting for all financial resources except those required to be accounted for in another fund. The other funds presented account for financial resources whose use is restricted for specified purposes.

B. Basis of Accounting

The financial statements are prepared on the cash basis of accounting; accordingly, amounts are recognized when received or disbursed in cash. This basis of accounting differs from accounting principles generally accepted in the United States of America. Those principles require revenues to be recognized when they become available and measurable or when they are earned and expenditures or expenses to be recognized when the related liabilities are incurred.

C. Budgets and Budgetary Practices

The County Commission and other applicable boards are responsible for the preparation and approval of budgets for various county funds in accordance with Sections 50.525 through 50.745, RSMo 2000, the county budget law. These budgets are adopted on the cash basis of accounting.

Although adoption of a formal budget is required by law, the county did not adopt formal budgets for the following funds:

<u>Fund</u>	<u>Years Ended December 31,</u>
Division V Banner Account Interest Fund	2002
Collector's Maintenance Fund	2002
Probate Division Interest	2002
Recorder's Grant Fund	2003 and 2002

Section 50.740, RSMo 2000, prohibits expenditures in excess of the approved budgets. However, expenditures exceeded budgeted amounts for the following funds:

<u>Fund</u>	<u>Years Ended December 31,</u>
General Revenue Fund	2002
Special Road and Bridge Fund	2003 and 2002
Prosecuting Attorney Bad Check Fund	2002
Law Library Fund	2002
DARE Donation Fund	2003
Senate Bill 40 Board Fund	2002

A deficit budget balance is presented for the General Revenue fund for the year ended December 31, 2003. However, the budget of that fund also included other resources available to finance current or future year disbursements. Generally, other available net resources represented current year property taxes not received before December 31. Such resources were sufficient to offset the deficit budget balance presented.

D. Published Financial Statements

Under Sections 50.800 and 50.810, RSMo 2000, the County Commission is responsible for preparing and publishing in a local newspaper a detailed annual financial statement for the county. The financial statement is required to show receipts or revenues, disbursements or expenditures, and beginning and ending balances for each fund.

However, the county's published financial statements did not include the following funds:

<u>Fund</u>	<u>Years Ended December 31,</u>
Health Center Fund	2002
Senate Bill 40 Board Fund	2003 and 2002
Recorder's Grant Fund	2003 and 2002

The Health Center published it's financial statements separately from the county for the year ended December 31, 2003.

2. Cash

Section 110.270, RSMo 2000, based on Article IV, Section 15, Missouri Constitution, authorizes counties to place their funds, either outright or by repurchase agreement, in U.S. Treasury and agency obligations. In addition, Section 30.950, RSMo 2000, requires political

subdivisions with authority to invest in instruments other than depositary accounts at financial institutions to adopt a written investment policy. Among other things, the policy is to commit a political subdivision to the principles of safety, liquidity, and yield (in that order) when managing public funds and to prohibit purchase of derivatives (either directly or through repurchase agreements), use of leveraging (through either reverse repurchase agreements or other methods), and use of public funds for speculation. The county has not adopted such a policy.

In accordance with Statement No. 3 of the Governmental Accounting Standards Board, *Deposits with Financial Institutions, Investments (Including Repurchase Agreements), and Reverse Repurchase Agreements*, disclosures are provided below regarding the risk of potential loss of cash deposits. For the purposes of these disclosures, deposits with financial institutions are demand, time, and savings accounts, including certificates of deposit and negotiable order of withdrawal accounts, in banks, savings institutions, and credit unions.

The county's deposits at December 31, 2003 and 2002, were entirely covered by federal depositary insurance or by collateral securities held by the Federal Reserve Bank in the county's name.

The Senate Bill 40 Board's deposits at December 31, 2003 and 2002, were entirely covered by federal depositary insurance.

Of the Health Center Board's deposits at December 31, 2003 and 2002, \$246,487 and \$245,374 respectively, were covered by federal depositary insurance, and \$77,907 and \$57,567 respectively, were covered by collateral securities pledged by one bank and held by a correspondent bank in the name of the depositary bank's customers.

To protect the safety of county deposits, Section 110.020, RSMo 2000, requires depositaries to pledge collateral securities to secure county deposits not insured by the Federal Deposit Insurance Corporation.

3. Prior Period Adjustment

The Special Road and Bridge Fund's cash balance at January 1, 2002, as previously stated has been decreased by \$74,824 to reflect a certificate of deposit that was incorrectly included in the balance.

The Division V Banner Account Interest Fund's cash balance of \$659 at January 1, 2002, was not previously reported but has been added.

The Associate Division Interest Fund's cash balance at January 1, 2002, as previously stated has been decreased by \$284 to reflect a transfer to another account that was not reported.

The Probate Division Interest Fund's cash balance at January 1, 2002, as previously stated has been decreased by \$543 to reflect a transfer to another account that was not reported.

The Sheriff's Interest Fund's cash balance of \$588 at January 1, 2002, was previously reported but has been removed as this fund is not considered county operating funds.

The Recorder's Grant Fund's cash balance at January 1, 2002, as previously stated has been decreased by \$106 to reflect receipts and disbursements that were unavailable in the prior audit.

Supplementary Schedule

Schedule

BOLLINGER COUNTY, MISSOURI
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Federal CFDA Number	Federal Grantor/Pass-Through Grantor/Program Title	Pass-Through Entity Identifying Number	Federal Expenditures	
			Year Ended December 31,	
			2003	2002
U. S. DEPARTMENT OF AGRICULTURE				
	Passed through state			
	Department of Health and Senior Services -			
10.557	Special Supplemental Nutrition Program for Women, Infants, and Children	ERS045-3108W	\$ 39,637	38,964
	Office of Administration			
10.665	Schools and Roads - Grants to States	N/A	3,735	908
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT				
	Passed through state Department of Economic Development			
14.228	Community Development Block Grants/State' Program	2003-PF-27	3,000	0
U.S. DEPARTMENT OF JUSTICE				
	Passed through:			
	State Department of Public Safety			
16.579	Byrne Formula Grant Program	01-DBBX-0029	7,421	10,832
	Missouri Sheriff's Meth-Amphetamine Relief Team			
16.580	Edward Byrne Memorial State and Local Law Enforcement Assistance Discretionary Grants Program	SD-2003-01	45,463	27,976
U. S. DEPARTMENT OF TRANSPORTATION				
	Passed through state			
	Highway and Transportation Commission			
20.205	Highway Planning and Construction	BRO-009 (4)	605,531	179,896
	Department of Public Safety			
20.703	Interagency Hazardous Materials Public Sector Training and Planning Grants	N/A	1,728	2,052

Schedule

BOLLINGER COUNTY, MISSOURI
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Federal CFDA Number	Federal Grantor/Pass-Through Grantor/Program Title	Pass-Through Entity Identifying Number	Federal Expenditures	
			Year Ended December 31,	
			2003	2002
GENERAL SERVICES ADMINISTRATION				
	Passed through state Office of Administration			
39.003	Donation of Federal Surplus Personal Property	2561 09-58	1,825	1,449
FEDERAL EMERGENCY MANAGEMENT AGENCY				
	Passed through state Emergency Management Agency			
83.544	Emergency Management Performance Grants	DR 1412 PA FED	240,372	275,550
		DR 1463 PA FED	114,519	0
	Program Total		354,891	275,550
U. S. DEPARTMENT OF HEALTH AND HUMAN SERVICES				
	Passed through state			
	Department of Health and Senior Services -			
93.268	Immunization Grants	PGA064-3108A	4,300	3,805
		N/A	3,086	4,029
		N/A	23,381	25,145
	Program Total		30,767	32,979
93.283	Centers for Disease Control and Prevention Investigations and Technical Assistanc	DH030510001	9,700	0
93.575	Child Care and Development Block Gran	PGA067-4108C	1,810	2,070
	Department of Social Services -			
93.658	Foster Care - Title IV-E	N/A	971	0
	Department of Health and Senior Services			
93.919	Cooperative Agreements for State-Based Comprehensive Breast and Cervical Cancer Early Detection Program	ERS161-30025	8,735	5,746
93.945	Assistance Programs for Chronic Disease Preventio and Control	DH030048001	5,000	5,000
93.994	Maternal and Child Health Services Block Grant to the States	ERS146-3108M	15,742	15,408
		ERS175-3006F	1,682	2,918
		N/A	244	270
	Program Total		17,668	18,596
	Total Expenditures of Federal Award:		\$ 1,137,882	602,018

* The CFDA number for this program changed to 97.042 in October 2002

N/A - Not applicable

The accompanying Notes to the Supplementary Schedule are an integral part of this schedule

Notes to the Supplementary Schedule

BOLLINGER COUNTY, MISSOURI
NOTES TO THE SUPPLEMENTARY SCHEDULE

1. Summary of Significant Accounting Policies

A. Purpose of Schedule and Reporting Entity

The accompanying Schedule of Expenditures of Federal Awards has been prepared to comply with the requirements of OMB Circular A-133. This circular requires a schedule that provides total federal awards expended for each federal program and the Catalog of Federal Domestic Assistance (CFDA) number or other identifying number when the CFDA information is not available.

The schedule includes all federal awards administered by Bollinger County, Missouri.

B. Basis of Presentation

OMB Circular A-133 includes these definitions, which govern the contents of the schedule:

Federal financial assistance means assistance that non-Federal entities receive or administer in the form of grants, loans, loan guarantees, property (including donated surplus property), cooperative agreements, interest subsidies, insurance, food commodities, direct appropriations, and other assistance, but does not include amounts received as reimbursement for services rendered to individuals. . . .

Federal award means Federal financial assistance and Federal cost-reimbursement contracts that non-Federal entities receive directly from Federal awarding agencies or indirectly from pass-through entities. It does not include procurement contracts, under grants or contracts, used to buy goods or services from vendors.

Accordingly, the schedule includes expenditures of both cash and noncash awards.

C. Basis of Accounting

Except as noted below, the schedule is presented on the cash basis of accounting, which recognizes amounts only when disbursed in cash.

Amounts for the Donation of Federal Surplus Personal Property (CFDA number 39.003) represent the estimated fair market value of property at the time of receipt.

Amounts for Immunization Grants (CFDA number 93.268), and the Maternal and Child Health Services Block Grant to the States (CFDA number 93.994) include both cash disbursements and the original acquisition cost of vaccines obtained by the Health Center through the state Department of Health and Senior Services.

2. Subrecipients

The county provided no federal awards to subrecipients during the years ended December 31, 2003 and 2002.

FEDERAL AWARDS -
SINGLE AUDIT SECTION

State Auditor's Report



CLAIRE C. McCASKILL
Missouri State Auditor

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH
REQUIREMENTS APPLICABLE TO EACH MAJOR PROGRAM AND ON INTERNAL
CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133**

To the County Commission
and
Officeholders of Bollinger County, Missouri

Compliance

We have audited the compliance of Bollinger County, Missouri, with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the years ended December 31, 2003 and 2002. The county's major federal programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the county's management. Our responsibility is to express an opinion on the county's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the county's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of the county's compliance with those requirements.

In our opinion, Bollinger County, Missouri, complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the years ended December 31, 2003 and 2002. However, the results of our auditing procedures disclosed an instance of noncompliance with those requirements, which is required to be reported in accordance

with OMB Circular A-133 and which is described in the accompanying Schedule of Findings and Questioned Costs as finding number 03-1.

Internal Control Over Compliance

The management of Bollinger County, Missouri, is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the county's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on the internal control over compliance in accordance with OMB Circular A-133.

We noted a certain matter involving the internal control over compliance and its operation that we consider to be a reportable condition. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over compliance that, in our judgment, could adversely affect the county's ability to administer a major federal program in accordance with the applicable requirements of laws, regulations, contracts, and grants. The reportable condition is described in the accompanying Schedule of Findings and Questioned Costs as finding number 03-1.

A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with the applicable requirements of laws, regulations, contracts, and grants that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, we do not believe that the reportable condition described above is a material weakness.

This report is intended for the information and use of the management of Bollinger County, Missouri; federal awarding agencies and pass-through entities; and other applicable government officials. However, pursuant to Section 29.270, RSMo 2000, this report is a matter of public record and its distribution is not limited.



Claire McCaskill
State Auditor

June 17, 2004 (fieldwork completion date)

Schedule

BOLLINGER COUNTY, MISSOURI
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(INCLUDING MANAGEMENT'S PLAN FOR CORRECTIVE ACTION)
YEARS ENDED DECEMBER 31, 2003 AND 2002

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued: Unqualified

Internal control over financial reporting:

Material weaknesses identified? yes x no

Reportable conditions identified that are
not considered to be material weaknesses? yes x none reported

Noncompliance material to the financial statements
noted? yes x no

Federal Awards

Internal control over major programs:

Material weaknesses identified? yes x no

Reportable condition identified that is
not considered to be a material weakness? x yes none reported

Type of auditor's report issued on compliance for
major programs: Unqualified

Any audit findings disclosed that are required to be
reported in accordance with Section .510(a) of OMB
Circular A-133? x yes no

Identification of major programs:

CFDA or
Other Identifying

<u>Number</u>	<u>Program Title</u>
20.205	Highway Planning and Construction
83.544	Emergency Management Performance Grants

Dollar threshold used to distinguish between Type A
and Type B programs:

\$300,000

Auditee qualified as a low-risk auditee?

_____ yes x no

Section II - Financial Statement Findings

This section includes no audit findings that *Government Auditing Standards* requires to be reported for an audit of financial statements.

Section III - Federal Award Findings and Questioned Costs

This section includes the audit finding that Section .510(a) of OMB Circular A-133 requires to be reported for an audit of federal awards.

03-1. Schedule of Expenditures of Federal Awards
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Federal Grantor:	U.S. Department of Transportation
Pass-Through Grantor:	Highway and Transportation Commission
Federal CFDA Number:	20.205
Program Title:	Highway Planning and Construction
Pass-Through Entity Identifying Number:	BRO-009 (4)
Award Years:	2003 and 2002
Questioned Costs:	Not applicable

Federal Grantor:	Federal Emergency Management Agency
Pass-Through Grantor:	Emergency Management Agency
Federal CFDA Number:	83.544
Program Title:	Emergency Management Performance Grants
Pass-Through Entity Identifying Number:	DR 1412 PA FED, DR 1463 PA FED
Award Years:	2003 and 2002
Questioned Costs:	Not applicable

Section .310(b) of Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, requires the auditee to prepare a schedule of expenditures of federal awards (SEFA) for the period covered by the auditee's financial statements. The county is required to submit the SEFA to the State Auditor's Office as a part of the annual budget. The County Clerk indicated she requests the Health Center to prepare a schedule of their awards to be combined with the county's schedule.

The county and Health Center do not have adequate procedures in place to track federal awards for the preparation of the SEFA. For the years ended December 31, 2003 and 2002, the SEFA contained numerous errors and omissions. For example, some expenditures reported on the schedule included the county's match and some federal grants were not reported on the schedule. Total federal expenditures were overstated by approximately \$47,704 and \$63,412 for 2003 and 2002, respectively. Compilation of the SEFA requires consulting county and health center financial records and requesting information from other department and/or officials. In addition, the County Clerk and Health Center Administrator failed to include the required pass-through grantor's number on several of the programs that were reported. Compilation of the SEFA requires consulting county financial records and requesting information from other departments and/or officials.

Without an accurate SEFA, federal financial activity may not be audited and reported in accordance with federal audit requirements which could result in future reductions of federal awards.

WE RECOMMEND the County Clerk and Health Center Administrator ensure all federal award expenditures are properly recorded on the Schedule of Expenditures of Federal Awards. In addition, pass-through entity identifying numbers should be reported when applicable.

AUDITEE'S RESPONSE AND PLAN FOR CORRECTIVE ACTION

The County Clerk indicated she will implement this recommendation in the next annual budget.

The Health Center Administrator indicated they will do their best to report only the federal expenditures on the 2004 statement.

Follow-Up on Prior Audit Findings for an
Audit of Financial Statements Performed in Accordance
With *Government Auditing Standards*

BOLLINGER COUNTY, MISSOURI
FOLLOW-UP ON PRIOR AUDIT FINDINGS FOR AN
AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE
WITH *GOVERNMENT AUDITING STANDARDS*

The prior audit report issued for the two years ended December 31, 2001, included no audit findings that *Government Auditing Standards* requires to be reported for an audit of financial statements.

MANAGEMENT ADVISORY REPORT SECTION

Management Advisory Report -
State Auditor's Findings

BOLLINGER COUNTY, MISSOURI
MANAGEMENT ADVISORY REPORT -
STATE AUDITOR'S FINDINGS

We have audited the financial statements of various funds of Bollinger County, Missouri, as of and for the years ended December 31, 2003 and 2002, and have issued our report thereon dated June 17, 2004. We also have audited the compliance of Bollinger County, Missouri, with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the years ended December 31, 2003 and 2002, and have issued our report thereon dated June 17, 2004.

In addition, we have audited the operations of elected officials with funds other than those presented in the financial statements to comply with the State Auditor's responsibility under Section 29.230, RSMo 2000, to audit county officials at least once every 4 years. The objectives of this audit were to:

1. Review the internal controls over the transactions of the various county officials.
2. Review compliance with certain legal provisions.

Our methodology to accomplish these objectives included reviewing accounting and bank records and other pertinent documents; interviewing various personnel of the county officials, as well as certain external parties; and testing selected transactions.

In addition, we obtained an understanding of internal controls significant to the audit objectives and considered whether specific controls have been properly designed and placed in operation. However, providing an opinion on internal controls was not an objective of our audit and accordingly, we do not express such an opinion.

We also obtained an understanding of legal provisions significant to the audit objectives, and we assessed the risk that illegal acts, including fraud, and violations of contract, grant agreement, or other legal provisions could occur. Based on that risk assessment, we designed and performed procedures to provide reasonable assurance of detecting significant instances of noncompliance with the provisions. However, providing an opinion on compliance with those provisions was not an objective of our audit and accordingly, we do not express such an opinion.

Our audit was conducted in accordance with applicable standards contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and included such procedures as we considered necessary in the circumstances.

This Management Advisory Report (MAR) presents any findings arising from our audit of the elected county officials referred to above. In addition, this report includes any findings other than those, if any, reported in the accompanying Schedule of Findings and Questioned Costs. These MAR findings resulted from our audit of the financial statements of Bollinger County or of its compliance with the types of compliance requirements applicable to each of its major federal

programs but do not meet the criteria for inclusion in the written reports on compliance and on internal control over financial reporting or compliance that are required for audits performed in accordance with *Government Auditing Standards* and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*.

1.	County's Financial Condition and Sales Tax
-----------	---

As noted in our prior report, Bollinger County's General Revenue Fund is in weak financial condition. The following chart shows receipts, disbursements, and cash balances for the two years ended December 31, 2003:

Cash Balance, January 1, 2002	\$ 8,954
Receipts	1,165,481
Disbursements	<u>1,153,542</u>
Cash Balance, December 31, 2002	20,893
Receipts	1,268,351
Disbursements	<u>1,253,681</u>
Cash Balance, December 31, 2003	<u><u>\$ 35,563</u></u>

In addition, at December 31, 2003, the county had \$90,000 in tax anticipation notes outstanding. Due to the county's weak financial condition, the County Commission submitted to the voters of Bollinger County a one-half of one percent sales tax for replacing the roof at the courthouse and the sheriff's office, repairing the courthouse, and retiring county debt, with any funds in excess to be used for general purposes. The ballot for this sales tax indicated the county would rollback their property tax 50 percent of these sales tax collections. This sales tax was approved by the voters in April 2003. Although the ballot did not specify a statutory reference, the County Commission's resolution indicated that this sales tax was imposed under Section 67.547, RSMo 2000. However, the county has another one-half of one percent sales tax levy that was passed in April 1989 under this same law. The ballot for that sales tax did not indicate a purpose. The County Clerk indicated the 50 percent rollback for the new sales tax was done voluntarily by the county, it is not required by state law.

With this additional general operations sales tax, the county is apparently imposing a levy of one-half of one percent above the statutory maximum allowed by Section 67.547. Furthermore, Attorney General's Opinion No. 61-89 states that a county cannot enact a sales tax that exceeds one-half of one percent under Section 67.547, RSMo. The county needs to review the various sales taxes being imposed to determine which are valid. While the County Commission has tried to improve the financial condition of the county by imposing this sales tax, it may need to eliminate one of these sales taxes, and consider passing a sales tax under another Section of RSMo. The county could have submitted this issue to the voters under Section 67.700, RSMo 2000, which authorizes up to a one-half of one percent sales tax levy for the purpose of funding capital improvements. In addition, the County Commission

should closely monitor the financial condition of the General Revenue Fund by reviewing disbursements and reducing discretionary amounts as much as possible.

WE RECOMMEND the County Commission review the overall sales taxes being levied and ensure they are in accordance with state statutes. In addition, the County Commission should consider passing a sales tax under another Section of RSMo, and closely monitor the financial condition of the General Revenue Fund.

AUDITEE'S RESPONSE

The County Commission indicated they will discuss this recommendation with the Prosecuting Attorney.

2. Personnel Policies and Procedures

The county commission does not have a written agreement with the Prosecuting Attorney specifying the percentage of his secretaries salaries to be paid by the county. Payments to the sheriff's deputies for transportation of prisoners are not reflected on their W-2's. In addition, time sheets are not signed by supervisors and leave records are not properly maintained.

- A. The county pays 50% of the salaries of the three secretaries working in the Prosecuting Attorney's office (the remaining 50% is paid by the Prosecuting Attorney's private practice). Total payments of \$34,608 and \$34,104 were made in 2003 and 2002, respectively, to the secretaries. These payments are requested and approved through the county's annual budget process. However, the budget documents do not clearly specify the number of secretaries to be paid by the county or how the 50 percent reimbursement was determined. The county has not entered into a written agreement with the Prosecuting Attorney specifying any of this information. In addition, adequate supporting documentation such as employee time sheets is not maintained by the Prosecuting Attorney for filing with the County Clerk.

Section 432.070, RSMo 2000, requires the county to have all contracts in writing. Written agreements should be prepared and should clearly specify the arrangements between applicable parties. Also, timesheets are necessary to document hours actually worked, substantiate payroll expenditures, and allocate payroll expenditures to the various funds.

- B. Sheriff's deputies serving as guards in the transportation of prisoners during off duty hours are paid \$25 for trips to Farmington or Cape Girardeau Mental Health Centers and \$50 for trips to the Fulton prison.

Because these payments are not processed through the normal county payroll procedures, they are not subject to payroll withholdings and are not reported on the

respective W-2 forms. Our review indicated that approximately \$1,450 was paid to deputies for guard fees during the two years ended December 31, 2003.

Any full-time county employee serving as a guard should be compensated under normal county payroll procedures and all compensation should be reported on the employees' W-2 forms.

- C. Only timesheets completed by the Sheriff's office and Road and Bridge employees included documentation of supervisory approval. In addition, records are not maintained of annual leave, sick leave, and compensatory time earned, taken, and accumulated for some employees. The County Clerk indicated these records are maintained by each individual office but our review noted that some offices, including the Collector, Assessor, Recorder of Deeds and Prosecuting Attorney, are not maintaining those records.

Supervisory approval is necessary to ensure time reported was actually worked. In addition, accurate records of leave and compensatory time are necessary to ensure compliance with the FLSA and to ensure employees are properly compensated for accumulated leave. Without accurate leave records, the county cannot quickly and easily determine the amount of leave that is due an employee upon termination of employment, and the accrued liability of the county for the employees earned leave. When an employee terminates employment, the County Clerk must go through all of the employee's timesheets and determine the leave hours earned and used for the past years.

Conditions similar to A and C were noted in our prior report.

WE RECOMMEND the County Commission:

- A. Ensure a written agreement is entered into with the Prosecuting Attorney documenting each party's contractual obligations. In addition, timesheets should be required of the secretaries to support salary reimbursements for the agreed upon percentage.
- B. And the Sheriff review this situation. Deputies who serve as guards should be paid through normal payroll procedures and all payments should be included on W-2 forms.
- C. Require all timesheets include supervisory approval and require records be maintained by the County Clerk's office of annual, sick, and compensatory leave earned, used, and accumulated.

AUDITEE'S RESPONSE

The County Commission indicated:

- A. They will discuss this with the Prosecuting Attorney.*
- B. They will discuss this with the Sheriff.*
- C. The County Clerk has sent letters to the officials indicating they are to maintain leave records for all employees. She will bring this to the attention of the county officials again. In addition, the county will review the possibility of obtaining computer software which would enable the County Clerk to maintain centralized leave records.*

The Sheriff indicated:

- B. This recommendation will be implemented immediately.*

3. Budgetary Practices

The county approved expenditures in excess of budget amounts for some funds and did not budget emergency expenditures for the year ended December 31, 2003.

- A. The County Commission approved expenditures in excess of budgeted amounts for the General Revenue fund for the year ended December 31, 2002, totaling approximately \$16,397, and for the Road and Bridge fund for the years ended December 31, 2003 and 2002, totaling approximately \$226,511 and \$89,135, respectively. While the County Clerk prepares monthly budgetary status reports, they were apparently not effectively used.

It was ruled in State ex. rel. Strong v. Cribb, 364 Mo.1122, 273 S.W.2d 246 (1954), that strict compliance with the county budget law is required by county officials. If there are valid reasons which necessitate excess disbursements, budget amendments should be made following the same process by which the annual budget is approved, including holding public hearings and filing the amended budget with the State Auditor's Office. In addition, Section 50.622, RSMo 2000, provides that counties may amend the annual budget during any year in which the county receives additional funds which could not be estimated when the budget was adopted and that the county shall follow the same procedures required for adoption of the annual budget to amend its budget.

- B. The county did not budget emergency expenditures for the year ended December 31, 2003. The County Commission and County Clerk indicated that the county did not have sufficient resources to budget the required three percent for emergency

situations. Section 50.540, RSMo 2000, requires at least three percent of anticipated General Revenue Fund revenues be budgeted for emergency situations.

WE RECOMMEND the County Commission:

- A. Refrain from incurring expenditures in excess of budget amounts. If the county receives additional funds which could not be anticipated when the budget was adopted, the County Commission should amend its budget by following procedures required by state law.
- B. Ensure emergency funds are budgeted in the General Revenue Fund.

AUDITEE'S RESPONSE

The County Commission indicated:

- A. *They will amend budgets in the future.*
- B. *They strongly felt this was the best way to handle the budget given the county's financial condition. They have budgeted for emergency expenditures in 2004.*

4. Road and Bridge Maintenance Plan
--

A formal maintenance plan for county roads and bridges has not been prepared. A maintenance plan should be prepared in conjunction with the annual fiscal budget and include a description of the roads and bridges to be worked on, the type of work to be performed, an estimate of the quantity and cost of materials needed, the dates such work could begin, the amount of labor required to perform the work, and other relevant information. The plan should be referred to in the budget message and be approved by the commission. In addition, the commission should consider holding a public hearing to obtain input from county residents.

A formal maintenance plan would serve as a useful management tool and provide greater input into the overall budgeting process. A plan provides a means to continually and more effectively monitor and evaluate the progress made in the repair and maintenance of roads and bridges throughout the year.

WE RECOMMEND the County Commission prepare and document a maintenance plan at the beginning of the calendar year and periodically update the plan throughout the year. In addition, the commission should review the progress made in the repair and maintenance of roads to make appropriate decisions on future projects.

AUDITEE'S RESPONSE

The County Commission indicated they discuss road plans for the year when preparing the road and bridge budget and discuss progress on the various projects each week. They will formalize this with the 2005 budget.

5. Computer Controls

The County does not have a formal emergency contingency plan for the computer system and has not formally negotiated arrangements for backup facilities in the event of a disaster.

Contingency plans should include plans for a variety of situations, such as short- and long-term plans for backup hardware, software, facilities, personnel, and power usage. Involvement of users in contingency planning is important since users will likely be responsible for maintaining at least a portion of the backup under various contingencies. The major benefit of a thorough disaster recovery plan is the ability of the county to recover rapidly from disaster or extraordinary situations that might cause considerable loss or disruption to the county. Because of the county's degree of reliance on the data processing, the need for contingency planning is evident.

WE RECOMMEND the County Commission ensure a formal contingency plan for the county's computer system is developed.

AUDITEE'S RESPONSE

The County Commission indicated they will implement this recommendation within the next six months.

6. Recorder's Accounting Procedures
--

Receipts are not posted to the computer system or deposited on a timely basis. Our cash count on February 17, 2004, totaled approximately \$580, with receipts dating back to February 11, 2004. These receipts were not deposited or posted to the computer receipting/indexing system until February 17, 2004. The office uses a computer for recording payments and indexing recorded documents and it is their policy to hold the deposit until the receipts and documents have been entered into the computer and reviewed for accuracy. In addition, the Recorder's office gives priority to the general public's inquiry access to the only computer over the recording of the receipts and documents received. The Recorder's office indicated that because of this they are unable to post the receipts to their system in a timely manner.

To adequately safeguard receipts and reduce the risk of loss or misuse of funds, all receipts should be posted to the accounting system in a timely manner and deposited daily or when receipts exceed \$100.

WE RECOMMEND, the Recorder of Deeds ensure all receipts are posted to the accounting system in a timely manner and deposited daily or when receipts exceed \$100.

AUDITEE'S RESPONSE

The Recorder of Deeds indicated they normally post the receipts and deposit the monies the next day, but that is not always possible on busy days. They will try to do this more timely in the future.

7. Sheriff's Accounting Procedures

Adequate oversight of accounting functions is not provided by the Sheriff. A clerk and the dispatchers perform all cash custody and record-keeping for civil and criminal fees, and bonds. The dispatchers and the clerk collect monies. In addition, the clerk records transactions, prepares deposits, disburses monies, and prepares bank reconciliations. There is no documented review of the accounting records performed by the Sheriff.

Proper segregation of duties helps ensure that all transactions are accounted for properly and assets are adequately safeguarded. Internal controls would be improved by segregating the duties of receiving and depositing receipts from recording and reconciling receipts. If proper segregation of duties cannot be achieved, at a minimum, periodic supervisory reviews of the records should be performed and documented.

WE RECOMMEND the Sheriff provide adequate oversight for the accounting functions performed by employees.

AUDITEE'S RESPONSE

The Sheriff indicated this recommendation will be implemented immediately.

8. Circuit Clerk's Accounting Procedures

The Circuit Clerk's office is holding approximately \$11,000 in a certificate of deposit from a case from the 1970's. No heirs have appeared to claim the funds and the court order states the monies are not to be released until the required death certificates are presented by the rightful heir(s). This old case creates additional and unnecessary record-keeping responsibilities. If the heir(s) cannot be located, various statutory provisions provide for the disposition of unclaimed monies.

WE RECOMMEND the Circuit Clerk review this case with the Circuit Judge and Prosecuting Attorney to determine what actions can be taken by the court. If the heirs cannot be located, the monies should be disposed of in accordance with state law.

AUDITEE'S RESPONSE

The Circuit Clerk indicated she has turned this information over to the Prosecuting Attorney. She will comply with the orders of the Judge.

Follow-Up on Prior Audit Findings

BOLLINGER COUNTY, MISSOURI
FOLLOW-UP ON PRIOR AUDIT FINDINGS

In accordance with *Government Auditing Standards*, this section reports the auditor's follow-up on action taken by Bollinger County, Missouri, on findings in the Management Advisory Report (MAR) of the audit report issued for the two years ended December 31, 1999.

The prior recommendations which have not been implemented, but are considered significant, are repeated in the current MAR. Although the remaining unimplemented recommendations are not repeated, the county should consider implementing those recommendations.

1. Financial Condition

Bollinger County's General Revenue Fund had been experiencing a declining cash balance.

Recommendation:

The County Commission consider the various alternatives of increasing receipts and/or reducing disbursements.

Status:

Partially implemented. The county voters passed an additional sales tax that became effective October 2003. The General Revenue balance has increased from \$8,954 at December 31, 2001 to \$35,563 at December 31, 2003, however, the county has not paid back a \$90,000 tax anticipation note or the \$30,800 due to other county funds and political subdivisions from excess commissions withheld. See MAR finding number 1.

2. Contracts

- A. No written agreements existed with municipalities and the ambulance district for dispatching services or with other entities for boarding prisoners, regarding the amounts to be paid or the services to be provided.
- B. There were no written agreements specifying how the rent and utilities amounts were determined for the Prosecuting Attorney and the Public Administrator and/or the percentage of the Prosecuting Attorney's secretaries salaries to be paid by the county.
- C. The county could not locate contracts for the lease purchase of two graders, a copier with a maintenance agreement, and a short-term bank loan for \$20,000.

Recommendation:

The County Commission ensure written agreements are entered into with all applicable political subdivisions and individuals documenting each parties contractual obligations.

Status:

Partially implemented. The county had contracts regarding the purchases of new road and bridge equipment and contracts with the Prosecuting Attorney and Public Administrator regarding rent and utility payments. Contracts for the dispatching services provided by the Sheriff's office were signed in June 2004. The Sheriff's office rarely houses prisoners since the county's inmate population has increased so there were no board of prisoner contracts to review. The county has not obtained contracts regarding the salaries of the Prosecuting Attorney's secretaries. See MAR finding number 2.

3. Personnel and Payroll Policies and Procedures

- A. Time sheets and/or records tracking accumulated leave balances were not maintained for some full-time employees. In addition, those records that were prepared were not approved by a supervisor and one office did not turn their time records into the County Clerk.
- B. The county's personnel manual did not address compensatory time or overtime.

Recommendation:

The County Commission:

- A. Require all county employees to complete time sheets which reflect actual time worked and leave balances earned and used. The time sheets should be prepared by employees, approved by the applicable supervisor, and filed with the County Clerk. In addition, the County Commission should require the County Clerk to maintain centralized leave records for all employees.
- B. Establish a written policy regarding compensatory time and overtime to ensure compliance with the FLSA.

Status:

- A. Partially implemented. Timesheets are completed by all but one county office and some of the county offices indicate supervisory review. Centralized leave records are not maintained. See MAR finding number 2.
- B. Implemented.

4. General Fixed Assets

Three of thirteen equipment purchases were not recorded on the county's general fixed asset listing.

Recommendation:

The County Commission establish a written policy related to the handling and accounting for general fixed assets. In addition to providing guidance on accounting and record keeping, the policy could include necessary definitions, address important dates, establish standardized forms and reports to be used, discuss procedures for the handling of asset disposition, and any other concerns associated with county property.

Status:

Not implemented. No problems were noted during our review of the general fixed assets; however, the County Commission has not established a written policy. Although not repeated in the current report, our recommendation remains as stated above.

5. Sheriff's Accounting Controls and Procedures

- A. There were at least three instances where monies received by the Sheriff's office totaling \$736 were not deposited or were found to be missing.
- B. Controls over the evidence room used for storing property taken in criminal cases were not adequate.
- C. The Sheriff had \$2,260 in two old bank accounts that had not been properly disbursed.

Recommendation:

The Sheriff:

- A. Adequately segregate duties or ensure independent, documented reviews of the records are performed. In addition, the Sheriff should ensure all missing monies are recovered and distributed to the appropriate parties.
- B. Ensure all evidence is inventoried in the seized property log and dispose of unclaimed items in a timely manner in accordance with state law.
- C. Disburse the amounts remaining from the 1994 Sheriff's sale and attempt to locate the payees of the old outstanding checks and reissue checks if possible. Any remaining unclaimed amounts should be disbursed in accordance with state law.

Status:

- A. Partially implemented. Receipting duties are segregated from recording and depositing the monies, however, no supervisory review is conducted. The individual thought to be responsible for the missing monies was dismissed. See MAR finding number 7.

B&C. Implemented.

6. Circuit Clerk and Ex-Officio Recorder of Deeds' Accounting Controls and Procedures

- A. Monthly listings of open items were not prepared on a timely basis for the Circuit Clerk's fee account and had not been periodically reconciled with bank and book balances. In addition, the February 1999 open items listing included numerous old cases.
- B. Copy monies were deposited into the Circuit Clerk's interest account and were used for various office expenditures.

Recommendation:

The Circuit Clerk and Ex-Officio Recorder of Deeds:

- A. Prepare a complete listing of open items on a monthly basis and reconcile the listing to the cash balance. Any discrepancies should be investigated and resolved. In addition, along with the Circuit Judge, review the older cases and determine the appropriate disposition of inactive cases.
- B. Ensure the Circuit Clerk's interest account includes only interest earned on the Circuit Clerk's bank accounts. Copy monies should be receipted, deposited to the fee account, and remitted to the County Treasurer at least monthly, along with any interest earned on the Ex-Officio Recorder's bank account. In addition, any unidentified monies or old outstanding checks held by the court should be investigated and disposed of in accordance with state law.

Status:

A&B. Implemented.

STATISTICAL SECTION

History, Organization, and
Statistical Information

BOLLINGER COUNTY, MISSOURI
HISTORY, ORGANIZATION,
AND STATISTICAL INFORMATION

Organized in 1851, the county of Bollinger was named after George F. Bollinger, the leader of the early pioneers in the area. Bollinger County is a county-organized, 3rd-class county and is part of the 32nd Judicial Circuit. The county seat is Marble Hill.

Bollinger County's government is composed of a three-member county commission and separate elected officials performing various tasks. The county commission has mainly administrative duties in setting tax levies, appropriating county funds, appointing board members and trustees of special services, accounting for county property, maintaining approximately 515 miles of county roads and 67 county bridges, and performing miscellaneous duties not handled by other county officials. Principal functions of these other officials relate to judicial courts, law enforcement, property assessment, property tax collections, conduct of elections, and maintenance of financial and other records important to the county's citizens.

The county's population was 10,301 in 1980 and 12,029 in 2000. The following chart shows the county's change in assessed valuation since 1980:

		Year Ended December 31,				
		2003	2002	2001	2000	1985* 1980**
		(in millions)				
Real estate	\$	60.3	53.3	51.3	49.3	26.2 10.1
Personal property		24.5	24.2	23.9	22.3	7.4 4.8
Railroad and utilities		11.1	12.5	12.8	11.8	9.5 11.8
Total	\$	95.9	90.0	88.0	83.4	43.1 26.7

* First year of statewide reassessment.

** Prior to 1985, separate assessments were made for merchants' and manufacturers' property. These amounts are included in real estate.

Bollinger County's property tax rates per \$100 of assessed valuations were as follows:

		Year Ended December 31,			
		2003	2002	2001	2000
General Revenue Fund	\$	0.1000	0.2000	0.1900	0.1800
Special Road and Bridge Fund		0.2435	0.2500	0.2500	0.2500
Health Center Fund		0.2338	0.2400	0.2400	0.2400
Senate Bill 40 Board Fund		0.0974	0.1000	0.1000	0.1000

Property taxes attach as an enforceable lien on property as of January 1. Taxes are levied on September 1 and payable by December 31. Taxes paid after December 31 are subject to

penalties. The county bills and collects property taxes for itself and most other local governments. Taxes collected were distributed as follows:

	Year Ended February 28 (29),			
	2004	2003	2002	2001
State of Missouri	\$ 29,080	27,562	27,148	24,882
General Revenue Fund	110,511	186,382	175,330	153,858
Special Road and Bridge Fund	234,556	227,717	224,309	205,476
Assessment Fund	39,085	38,110	37,300	33,488
Health Center Fund	225,204	218,577	215,305	197,225
Senate Bill 40 Board Fund	93,824	91,076	89,714	82,221
School districts	2,802,662	2,660,142	2,606,978	2,328,802
Library district	93,825	91,076	89,714	82,221
Ambulance district	187,639	182,148	179,421	164,336
Fire protection districts	62,454	57,298	55,194	50,124
Drainage district	44,858	44,864	42,263	45,198
Tax maintenance fund	11,007	6,067	0	0
Surtax	21,776	21,034	20,814	19,233
Investment interest	1,350	586	1,119	5,876
Cities	3,051	3,439	3,393	3,143
County Clerk	1,230	1,501	1,029	794
County Employees' Retirement	38,363	40,962	38,361	30,084
Commissions and fees:				
General Revenue Fund	65,534	63,831	63,237	55,752
Collector	600	600	600	700
Total	\$ 4,066,008	3,962,372	3,870,629	3,482,714

Percentages of current taxes collected were as follows:

	Year Ended February 28 (29),			
	2004	2003	2002	2001
Real estate	90.9	90.4	86.3	88.6
Personal property	87.9	86.2	83.1	85.3
Railroad and utilities	100.0	100.0	100.0	100.0

Bollinger County also has the following sales taxes; rates are per \$1 of retail sales:

	Rate	Expiration Date	Required Property Tax Reduction	
General	\$ 0.0050	None	50	%
General	0.0050	None	None	
General	0.0050	9/30/2007	50	

The elected officials and their compensation paid for the year ended December 31 (except as noted) are indicated below.

Officeholder	2004	2003	2002	2001	2000
County-Paid Officials:	\$				
Wayne Johnson, Presiding Commissioner		21,485			
Kenneth Trentham, Presiding Commissioner			21,483	20,400	20,400
Larry P. VanGennip, Associate Commissioner		19,483	19,483	18,398	
Robert Gray, Associate Commissioner					18,400
Wayne Whitener, Associate Commissioner		19,483	19,483	18,398	
Rodney Jetton, Associate Commissioner					18,400
Winonah Ossig, Recorder of Deeds (1)		29,520			
Diane H. Holzum, County Clerk		29,520	29,520	27,880	27,880
Stephen P. Gray, Prosecuting Attorney		35,260	35,260	33,261	33,260
Terry Wiseman, Sheriff		32,800	32,800	31,120	
Dennis Willis, Sheriff					31,120
Naomi Null, County Treasurer		21,885	21,885	20,631	20,631
Charles Hutchings, County Coroner		8,200	8,200	7,790	
Gene Ward, County Coroner					7,790
Winford Brown, Public Administrator (2)		17,000	17,000	16,500	12,310
Bob Anderson, County Collector (3), year ended February 28 (29),	30,120	30,120	28,753	28,580	
James M. Bollinger, County Assessor (4), year ended August 31,		30,420	30,047	29,300	29,300
John W. Reilly, County Surveyor (5)		140	0	0	0

(1) Circuit Clerk and Recorder of Deeds offices split in January 2003.

(2) Includes fees received from probate cases in 2000.

(3) Includes \$600 for 2004, \$600 for 2003, \$600 in 2002 and \$700 in 2001 of commissions earned for collecting drainage district taxes.

(4) Includes \$900 annual compensation received from the state.

(5) Compensation on a fee basis.

State-Paid Officials:

Sharon Lutes, Circuit Clerk and Ex Officio Recorder of Deeds	47,300	47,300	47,300	46,127
Scott Evan Thomsen, Associate Circuit Judge	96,000	96,000	96,000	97,382

The county has \$90,000 in tax anticipation loans as of December 31, 2003.